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June 6, 2023

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501

Subject: Chugach Electric Association Tariff Advice Letters 540-8 and 418-121

Dear Commissioners:

ENSTAR Natural Gas Company, LLC ("ENSTAR") supports TA540-8 and TA418-121 filed by Chugach Electric Association, Inc. ("Chugach") and respectfully requests that the Commission approve both.

The tariff revisions (one for each of Chugach's district tariffs) remove the requirement from Chugach's Economy Energy Transactions rate schedule to provide a right of first refusal to ENSTAR to purchase Chugach-owned Beluga River Unit ("BRU") gas volumes whenever Chugach elects to use such gas to make economy energy sales ("ENSTAR ROFR"). The ENSTAR ROFR language was added to Chugach's tariffs as a requirement of Order No. U-18-102(44)/ U-19-020(39)/ U-19-021(39) dated May 28, 2020. Chugach has never offered to ENSTAR gas volumes under ENSTAR ROFR and ENSTAR has never exercised its right under this provision.

ENSTAR, Chugach, and other stakeholders are working together to address long-term gas supply concerns in Cook Inlet. While ENSTAR will continue this work, it does not view a right of first refusal on BRU gas – which is already embedded in Cook Inlet decline forecasts – as necessary. ENSTAR voluntarily and intentionally fully waives its rights of first refusal to purchase BRU gas volumes used by Chugach to generate electricity for economy energy sales.

Sincerely,

ENSTAR Natural Gas Company, LLC

A handwritten signature in blue ink, appearing to read "JDS", is written over the printed name of John D. Sims.

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